



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF STATE LANDS AND FORESTRY

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May 9, 1994

DOGM  
MINERALS PROGRAM  
FILE COPY

CERTIFIED MAIL NO. P 051 448 219

Thomas Lindgren  
365 North 600 West  
Logan, UT 84321

Dear Mr. Lindgren:

RE: ML 42750 Gemstone/Fossil  
S/027/014 Millard Co.

The terms and conditions of the above-numbered lease and the rules of the division require that upon submitting a notice of intent to commence mining the Lessee shall, upon Lessor's request, post a reclamation bond with the division of not less than \$5,000 per acre of intended surface disturbance.

Division records indicate that in 1990 a notice of intent to commence mining trilobites upon these lands was filed with the division. You are requested to immediately submit a surety bond in the amount of \$5,000 using the enclosed surety bond form. The Surety must be registered in Utah. In-lieu of a surety bond you may submit a \$5,000 short term renewable certificate of deposit with a Utah banking institution, providing the division is listed as a co-owner of the CD.

Also, the terms and conditions of the lease require that production be reported and that royalty be paid upon the leased substances that are mined and removed from the leasehold not later than the last day of the month following the month in which the production occurred. Division rules require that interest be paid upon delinquent royalty at the average adjusted prime rate plus 4%, compounded annually.



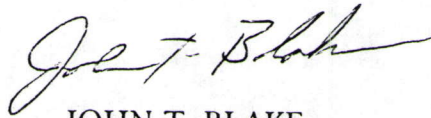
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Division records indicate that no production report or royalty payment have ever been received for this lease. I am enclosing the divisions production report form for gemstone and fossil. Please immediately report any production which has occurred under the lease and submit your royalty payment @10% of gross value, plus any interest payment which may be due the state.

Failure to comply with these requests within the next 30 days may subject the lease to cancellation pursuant to Article XIX of the lease agreement.

Thank you for your cooperation. Please call me if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "John T. Blake".

JOHN T. BLAKE  
MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Wayne Hedberg